

ABSTRACT

A system and method for executing payment for a transaction of goods or services between a merchant and a consumer over a network by using a prepaid consumer account, such as a telephone calling card account, to pay for the transaction. The consumer provides an account identifier to the merchant, which then sends a first transaction request message to a digital petty cash server (DPCS). The DPCS determines which one of several available account servers holds the consumer account identified by the consumer, and then sends a second transaction authorization request message to that account server. The account server determines if the consumer account is sufficient to cover the transaction amount; and then either deducts the transaction amount from the consumer account and completes the transaction, or it denies the transaction if the consumer account is insufficient to cover the DPCS transaction amount.